

VZCZCXRO1192
PP RUEHPA
DE RUEHOS #0183/01 0721437
ZNY CCCCC ZZH
P 131437Z MAR 07 ZFR ZFR ZFR
FM AMCONSUL LAGOS
TO RUEHC/SECSTATE WASHDC PRIORITY 8602
INFO RUEHZK/ECOWAS COLLECTIVE
RUEHUJA/AMEMBASSY ABUJA 8427
RUEHWR/AMEMBASSY WARSAW 0192
RUEHCD/AMCONSUL CIUDAD JUAREZ 0172
RUEHIT/AMCONSUL ISTANBUL 0173
RULSDMK/DEPT OF TRANSPORTATION WASHDC
RUEKJCS/SECDEF WASHINGTON DC
RUEAIIA/CIA WASHINGTON DC
RUCPDOC/DEPT OF COMMERCE WASHDC
RHEBAAA/DEPT OF ENERGY WASHINGTON DC
RUEATRS/DEPT OF TREASURY WASHDC
RHEFDIA/DIA WASHINGTON DC

C O N F I D E N T I A L SECTION 01 OF 03 LAGOS 000183

SIPDIS

SIPDIS

DEPT PLEASE PASS TO JAMES WILLIAMS, OPIC
DEPT PLEASE PASS TO TDA

E.O. 12958: DECL: 02/20/2017

TAGS: ECPS ECON EINV EIND PGOV PREL NI

SUBJECT: CITIBANK SUFFERS WHIMS OF THE WELL-CONNECTED

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ZFR//////////ZFR//////////ZFR
PLEASE ZFR/CANCEL ABOVE LAGOS 183 IMI LAGOS 183 DTG
P 131437Z MAR 07. AND BLANK ALL ASSOCIATED MCNS.
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BROWNE

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gave him time to access a secondary exit and leave the premises. Perturbed at not apprehending Emuwa, the officers arrested three other bank officials, including the bank's in-house attorney, although these officials were not subject to any outstanding warrants. (For days after, Emuwa stayed in seclusion and did not return to the bank.) The police stated they would not release the arrestees unless Mr. Emuwa appeared. Knowing he would be arrested, Emuwa did not appear at the police station. Emerah had arranged for press to be at the police in order to write a story on Emuwa's arrest. Although Emerah did not net the fish he most wanted, negative press stories were published in the local media.

Despite High-Level Intervention, Matter Persists

¶7. (C) Upon being contacted by Emuwa, the Consul General placed phone calls to Police Inspector Ehindero (IGP) and to the Assistant Inspector General Okiro, whose mobile phones were conveniently turned off. With this avenue closed, working together with local Citibank officials, we contacted EFCC Chairman Nuhu Ribadu, who promised to look into the case. We also contacted Federal Capital Territory (FCT) Minister El-Rufai and the Special Advisor to the Foreign Minister, who, in turn, engaged the Foreign Minister. Foreign Minister Joy Ogwu subsequently spoke with Attorney General Bayo Ojo, who was out of the country at the time. Ojo discovered that attorneys within the DPP connived with Emerah to file the unfounded criminal case against Citibank.

¶8. (C) The Foreign Minister and FCT Minister brought this issue directly to the President. President Obasanjo ordered the police and DPP to desist from arresting Citibank officials. Upon further looking into the case, the President ordered Chief Emerah's arrest, which was done. During this period, Dr. Uba disavowed any involvement and stated he was unaware that anyone from his office had helped instigate the criminal case. Believing the case had been settled, the President then diverted his attention to other matters, such as the impending election. With the President's attention elsewhere, the case was resurrected.

¶9. (C) During the last week of February, the Inspector General of Police summoned both Citibank officials and Emerah to produce all documentation supporting their claims. It appeared the IGP was still attempting to help Emerah. During their meeting, the IGP recommended to Citibank that they should "settle with Emerah". Citibank MD Emuwa coincidentally is also from Anambra State and is younger than Emerah. DPP officials, police and others have pressed Emuwa that he was not giving proper social deference to Chief Emerah. Emuwa's retort has been that social status does not obliterate a debt legally contracted and that Emerah, as the judgment debtor, should be seeking to settle with Citibank, not the obverse. Apparently still assisting Emerah, the DPP filed new criminal charges against Citibank. Emuwa stated the new charges were so sloppily crafted that the DPP inaccurately accused him of engaging in fraud although he never had any personal involvement in the loan transactions and was not in Nigeria at the time. The DPP knows he was not involved in the matter yet charged him nonetheless. Emuwa questioned how they could charge him with criminal liability for something he did not do. He is now considering suing the DPP attorneys for malicious prosecution.

Comment

¶9. (C) Despite widely-touted economic reforms aimed at creating a better business operating environment, the country's highly personalized legal system can make simple business transactions and legal decisions subject to the caprice of well-connected adversaries. Citibank, which is no minor player itself, fell victim to one such player.

¶10. (C) With the elections on the horizon, politicians are

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increasingly likely to influence the judicial process to favor the likes of a Chief Emerah who can mobilize votes. In this case, the police and judiciary were, at the least, encouraged, if not pressured, to pursue Citibank. Fortunately, Citibank has its own political connections as well as having justice on its side in this matter. Yet, even presidential intervention has not ended this matter. This could have been a martial blow for a smaller firm that did not have the clout and connections of Citibank. For the time being, business as usual remains an unusual exercise in Nigeria. End comment.
BROWNE